

licensee was required to make a report to the Hawaii PUC and to the state consumer advocate containing financial data on the revenues received from the service, the direct and allocated costs and other expenses of the CPP option, the impact, if any, on wireless customers, the number of CPP subscribers, the number and types of complaints, and leakage and air time usage. GTE's local exchange carrier in Hawaii was also required to file detailed reporting information. GTE believes that many of these reporting requirements amount to CMRS rate regulation prohibited under Section 332(c)(3). To prevent this type of regulation from standing as a future barrier to CPP, the FCC should rule that no state regulatory agency may require CPP rates to be tariffed or to review CPP rates in any way.

Finally, Section 332(c)(3) establishes that states retain the authority to regulate "other terms and conditions" of the CPP offerings, but only to the extent that such regulation does not amount to a "barrier to entry." In that regard, GTE is confident that the standards setting process will devise a uniform set of model CPP regulations that can be adopted by states so that CPP can be offered nationwide under a relatively uniform set of regulations.

2. Unbundling and Interconnection

In its attempt to establish the extent of Commission authority to regulate CPP, the FCC notes that it made clear, in the *Local Competition First Report and Order*, "that incumbent LECs have an obligation to provide access to unbundled network elements ["UNEs"] and that such network elements include information sufficient to enable

recipients of the unbundled network elements to provide billing services.”²² The Commission also states that the *Iowa Utilities Board* decision “concluded that the Commission has authority to order LECs to interconnect with CMRS carriers and has the authority to issue rules of special concern to CMRS providers.”²³ As such, the Commission appears to suggest that some of the barriers to providing CPP can be addressed through a CMRS provider’s ability to order UNEs from LECs or to negotiate interconnection arrangements with LECs pursuant to Sections 251 and 252 of the Communications Act. GTE disagrees.

As discussed above, none of the barriers standing in the way of CMRS providers offering a CPP option are related to a LEC failing to make billing information available to a CMRS provider or the availability of any other UNEs. Likewise, none of the barriers GTE or any other carrier has identified with respect to CPP involve a LEC’s failure to negotiate reasonable terms of interconnection with a CPP provider. As such, GTE does not believe it is necessary for the FCC to invoke any UNE or interconnection authority to facilitate CPP.

GTE is aware that a number of carriers are anxious for the FCC to issue an order regarding the scope of FCC authority to order LECs to make UNEs available to CMRS providers and to review LEC-CMRS interconnection arrangements. Indeed, GTE expects that some parties might ask the FCC to rule on those issues in the context of

²² *NOI, citing Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, First Report and Order, CC Docket No. 96-98, 11 FCC Rcd 15499 (1996), aff’d in part and vacated in part sub nom. Iowa Utilities Board v. FCC, No. 96-3321 et al. (8th Cir., July 18, 1997) (“Iowa Utilities Board”).*

²³ *NOI at 11-12 (¶ 28) citing Iowa Utilities Board at n.21.*

this proceeding. GTE believes that doing so would be a mistake. First, as noted above, the current barriers to CPP do not involve UNEs or interconnection. Second, the scope of the FCC's jurisdiction over LEC-CMRS interconnection and unbundling arrangements is likely to be a hotly contested issue. GTE suggests that it would far better to consider those issues in a separate, more focused proceeding, rather than to allow the CPP proceeding to become embroiled in the debate over Section 251 and 252 jurisdiction.

B. Conclusion

GTE supports the Commission's inquiry into CPP. GTE notes that CPP is being offered in a number of jurisdictions across the nation. These offerings, in effect, are marketplace experiments with CPP, enabling CMRS providers to evaluate the costs and benefits of CPP. GTE believes that market principles should determine whether CMRS providers offer CPP. GTE urges the FCC to resist the temptation to mandate CPP out of a desire to create local exchange competition. In that spirit, therefore, GTE urges the FCC not to adopt any rules that would require CMRS providers to offer a CPP option. Rather, the FCC's role in the CPP experiment should be, within its jurisdictional limits, to remove barriers that prevent CPP offerings.

Respectfully submitted,

GTE Service Corporation and its telephone
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